

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**LEXOR MANUFACTURING, LLC,  
Plaintiff,**

**V.**

**LURACO, INC. AND LURACO  
HEALTH & BEAUTY, LLC,  
Defendants.**

**V.**

**ECOJET, INC., LEXOR, INC.**  
**Cross-Defendants**

**Case No. 3:18-CV-01933-S**

## JURY TRIAL DEMANDED

## SUPPLEMENTAL DECLARATION OF THANH LE

I, Thanh Le, hereby declare under penalty of perjury the following:

1. I am Chief Executive Officer for Luraco Health and Beauty, LLC, which currently does business as Luraco Technologies in the above-referenced matter. I have personal knowledge of the facts that I state herein and can competently testify to these facts if I am called upon to do so under penalty of perjury.
2. Dr. Kevin Le and I are co-inventors of the 9,926,933 patent, the 10,451,071 patent, the 10,302,088 patent, the 10,215,177 patent, the 10,215,178 patent, the 10,278,894 patent, and the 10,451,071 shaftless patent.
3. I and Dr. Kevin Le have made and continue to make considerable investment into our domestic manufacturing operations, specifically investing millions of dollars into domestic plant and equipment, labor and capital, and engineering and research and development in regards to Luraco's Magna Jet. From the years 2008 to 2019, Luraco has invested \$1,829,407.23 into engineering costs of the Magna Jet. In the same time period there has been \$3,301,617 invested

into production costs, \$312,694.05 invested into equipment costs, \$11,262,489.78 invested into material costs, \$200,817.68 invested into licenses and patent costs, and \$4,079,890.10 into overhead costs of the production of the Magna Jet.

4. I know Christopher Luong personally, and I am familiar with his various companies from my dealings with him and our mutual customers. I know that he owns and manages his business in Garland, and he owns a number of nail supply stores. He has several stores throughout the Dallas – Fort Worth area, one of them is only a few minutes away from our facility in Arlington. He also operates Ecojet in California.

5. Luraco operates a 37,000 square-foot facility located at 1140 107th St. in Arlington, Texas. The facility was rented in 2006 and then acquired in 2010. The current dollar amount for the value of Luraco Facilities as of the date the complaint is filed approximately \$2,025,000.00. 2007 is the date of investment in equipment used to manufacture or research products practicing the asserted patents owned by Luraco.

6. The Magna Jet product accounts for half of Luraco's revenue in 2019, so assuming that our costs to Luraco a 50% percentage to define costs of the Magna Jet II, Luraco paid \$536,000 in salaries for engineers in 2019, making \$268,000 the amount paid for engineers working on Magna Jet II. The same formula is applied to all calculations concerning Luraco's investment into the asserted patents and associated product, which includes for the Magna Jet II product: two managers ( $\$104,000 \times 50\% = \$52K$ ), two purchasers ( $\$60,000 \times 50\% = \$30K$ ), six Tech Supports ( $\$190K \times 50\% = \$95K$ ), 31 production workers ( $\$596K \times 50\% = \$298K$ ), for a total of \$743K salaries and wages for employees engaged in the practice of those patents.

7. Below is a table showing the types of investments and allocation method devoted to Magna Jet II and the asserted patents:

<u>Type of investment</u>	<u>Salaries, wages, costs per year</u>	<u>Burden calculation<sup>1</sup></u>	<u>Total paid</u>
2 Managers	\$104,000	\$104,000 x 50%	\$52,000
9 Engineers	\$536,000	\$536,000 x 50%	\$268,000
2 Purchasers	\$60,000	\$60,000 x 50%	\$30,000
6 Tech Supports	\$190,000	\$190,000 x 50%	\$95,000
31 Production Workers	\$596,000	\$596,000 x 50%	\$298,000
Health Insurance	\$29,000	\$29,000 x 50%	\$14,000
Simple IRA	\$32,500	\$32,500 x 50%	\$16,250
Samples and prototypes	\$52,500	\$52,500 x 50%	\$26,250
Major Equipment	\$115,280	\$115,280 x 50%	\$57,640

8. These investments are significant to the pedicure industry and to Luraco. Luraco had owned 100% market share of the magnetic pump for pedicure spas when it was introduced, today Luraco owns around 60% market share. There are few large players in this industry like Lexor and EcoJet and few small importers. As of today, Luraco is the largest magnetic pump manufacture for the pedicure spa industry. The products practicing the asserted patents makes up 50% of Luraco's revenue. Luraco's innovation of the magnetic coupling pedicure spa pump allows salon owners all over the world to use a pedicure spa with a disposable liner. This invention solved major sanitization issues at nail salons. A NBC news report on Luraco's innovation can be found at <https://www.youtube.com/watch?v=IP0iinIFufc>.

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<sup>1</sup> Total sales of Magna Jet II is approximately 50% of total company sales of all products. Thus 50% is the percentage used to define costs of Magna Jet II.

9. According to my business records, Lexor and Luraco have interacted as follows:
  - a. On April 21, 2009, Lexor ordered Magna Jet and Discharge Pump samples from Luraco. Invoice #3229 for this order is attached to this declaration in Attachment 1.
  - b. On May 13, 2009, Lexor discussed with Luraco to order 500 Magna Jets from Luraco. An email chain from Nick La, General Manager of Lexor, is attached to this declaration in Attachment 2.
  - c. On June 25, 2009, Lexor ordered Dura Jet 3 and a Discharge Pump samples from Luraco. Luraco's Invoice #3628 regarding this order is attached as Attachment 1.
  - d. On July 27, 2010, Lexor introduced their PureFlo MG (PureFlo Magna) at Cosmoprof Beauty Trade Show in that is using the Bearing and Shaft design that Luraco used for its Magna Jet.
  - e. On July 19, 2013, five years after Luraco's Spa Pumps were introduced, Lexor filed their Reissue patent '844.
  - f. On July 30, 2015, seven years after Luraco's Spa Pumps were introduced, Lexor filed second Reissue patent '655.
  - g. On July 27, 2018, ten years after Luraco's Spa Pumps were introduced, Lexor used second Reissue patent '655 to file lawsuit against Luraco.
10. Lexor has been aware and cannot claim ignorance of the '071 shaftless patent and the '894 patent. By my direction, counsel for Lexor received information regarding these patents via email on which I was copied, sent from Luraco's counsel on December 27, 2021.
11. Both the '071 and '894 patents were published publicly on Luraco's website and are printed on the Luraco Jet Assembly. Evidence of these patents on the Jet Assembly and on the Website are attached to this declaration in Attachment 3.

12. Though Lexor claims in its Response that these are the same accused products that Luraco sued on earlier and we could have sued on them in 2018, Lexor forgets that Luraco did not have these two patents until mid-2019. And though Luraco did file a complaint with the ITC to keep out Lexor from importing some products in 2020, that complaint did not specifically mention Lexor's shaftless spa pumps, of which Luraco was unaware. These shaftless spa pumps are not the same pumps I was familiar with.

13. I discovered only in November of 2021 that Lexor was producing the specific shaftless jet spa pumps which infringe the '071 shaftless patent. Prior to November 2021, I was only aware that Lexor was selling a shafted jet spa pump – I learned that Lexor was producing these shaftless pumps only when an Ecojet dealer approached one of my clients and I saw them for sale on Ebay<sup>2</sup>. I have also recently discovered them on Lexor's own website.<sup>3</sup>

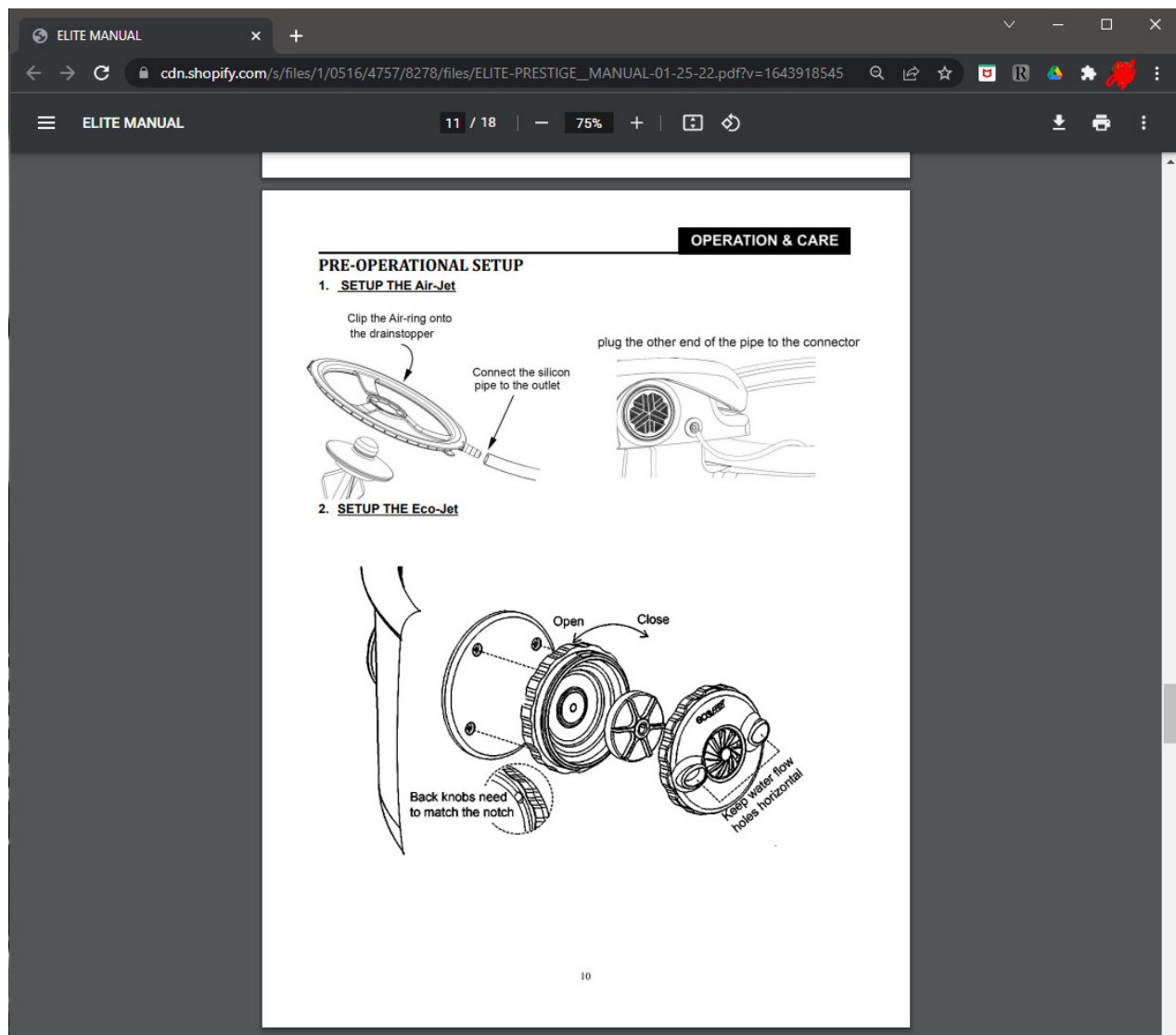
14. Since 2018, Luraco has been counter suing Lexor and Ecojet for all of their infringing offerings of which Luraco was aware. Contrary to Lexor's Response, Luraco has not had years to file suit on these particular products because Lexor only recently started offering shaftless spa pumps.

15. I check Lexor's offerings from time to time, but not every day or even every month. However, Luraco has acted with diligence as it has learned of new infringing products.

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<sup>2</sup> ECF Doc. 42-1, page 15

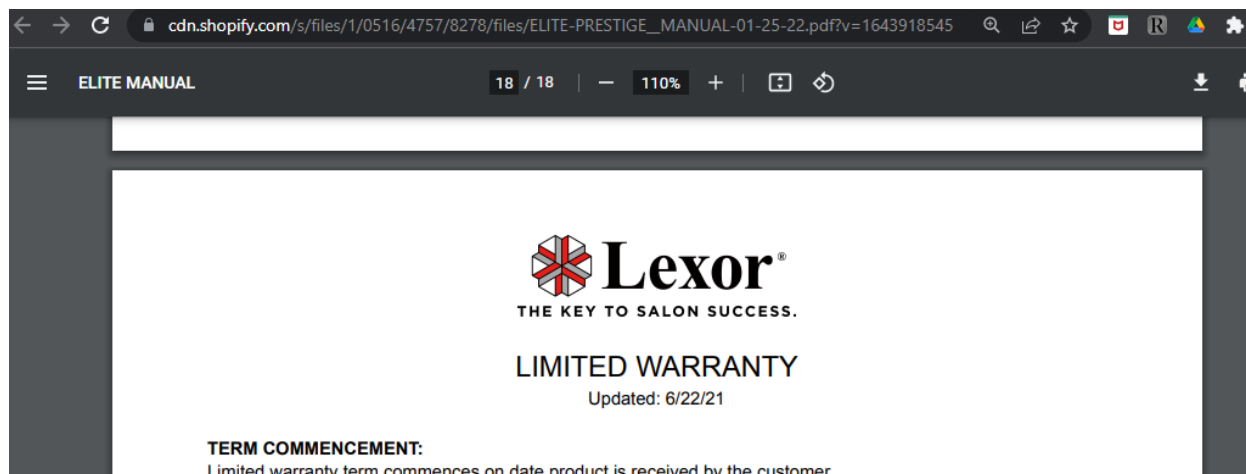
<sup>3</sup> <https://lexor.com/products/ecojet-universal-jet-set-3-5?variant=42078522572966>



*Prestige & Elite Manual from Lexor's "Products Manual" Webpage:*  
<https://lexor.com/pages/product-support>

16. I discovered that Lexor's "Prestige & Elite" Pedicure Chair Manuals on their website has a URL to the manual's PDF which reads a date, "01-25-22". This manual shows a shaftless jet spa.

17. The same manual has a date on its limited warranty, "6/22/21".



*Prestige & Elite Manual from Lexor's "Products Manual" Webpage:*  
<https://lexor.com/pages/product-support>

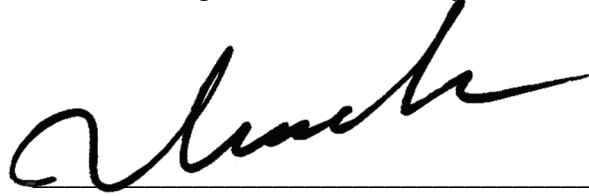
18. The manual used in the complaint at the beginning of the counter suit shows a Limited Warranty date of 05/01/2018 and includes a jet spa with a shaft. The infringing shaftless product is new to this case, certainly Luraco has not encountered this product until recently. *See* Exhibit 7 of the Amended Complaint.

While not dispositive, while I was examining the source code of the Lexor website, the Google web cache report indicates the product webpage was last amended on January 14, 2022. (Universal – Magnetic whirlpool jet kit replacement for pedi-spa chairs.\u003cVspan\u003e", "published\_at": "2022-01-14T17:18:22-08:00")

<http://webcache.googleusercontent.com/search?q=cache:9RrPfhbkSYJ:https://lexor.com/products/ecojet-universal-jet-set-3-5&hl=en&gl=us&strip=0&vwsrc=1>. I have attached a true copy of an excerpt of that Google report as Attachment 4, and highlighted the relevant text.

19. I declare under penalty of perjury under the laws of the State of Texas and the United States that the foregoing is true and correct.

Dated this 21st day of March 2022, in Arlington, Tarrant County, Texas

A handwritten signature in black ink, appearing to read 'Thanh Le', written over a horizontal line.

Thanh Le

Attachment 1: Invoice #3229

Attachment 2: An email chain from Nick La, General Manager of Lexor

Attachment 3: Evidence of patents

Attachment 4: Evidence that the Lexor Shaftless Pump is a new product.



**LURACO Technologies, Inc.**

1132 107th Street, Arlington, Texas 76011

Phone: +1-817-633-1080

Fax: +1-817-633-1085

sales@luraco.com

www.luraco.com

**ORDER INVOICE**

Order Number: 3229  
Order Date: 4/21/2009  
Customer Number: 2129

Sold To: LEXOR , 714 444 4144  
NICK LA  
14800 GOLDEN WEST STREET  
Westminster, CA 92683

Ship To: Same

Qty	Item	Unit Price	Total
1	L0704C - Magna- Jet	0.00	0.00
1	L0807A - Discharge Pump	0.00	0.00
	Tax		0.00
	Shipping		0.00
Order Total			\$0.00

Thank You!

*Sample*



## LURACO Technologies, Inc.

1132 107th Street, Arlington, Texas 76011

Phone: +1-817-633-1080

Fax: +1-817-633-1085

sales@luraco.com

www.luraco.com

### ORDER INVOICE

Order Number: 3628  
Order Date: 6/25/2009  
Customer Number: 2273

Sold To: LEXOR INC 714-444-4095 F  
NICK LA 714-444-4144  
14800 Goldenwest Str  
Westminster, CA 92683

Ship To: Same

Qty	Item	Unit Price	Total
1	L0807A - Discharge Pump	39.95	39.95
1	L0704D - DURA-JET III	59.00	59.00
	Tax		0.00
	Shipping		11.75
Order Total			\$110.70

ORDER NOT PAID - WAIT FOR DURA JET III

Thank You!

**From:** Nick La [mailto:nla@lexorinc.com]

**Sent:** Wednesday, May 13, 2009 5:03 PM

**To:** hana.ngo@luraco.com

**Subject:** Re: FW: Just a follow up

Hi Hana,

Yes, I've been so busy with a few projects with deadline this month. Our Engineer is testing the unit and they will get back with question. As far as my concern the price is a bit high, our current PureFlo jet we buy is 50% less then the price you offered.

Other then that the jet looks good, I think it has potential. But we need to do something about pricing.

Nick La  
General Manager  
Lexor, Inc.  
14800 Goldenwest St.  
Westminster, CA 92683  
[www.lexorinc.com](http://www.lexorinc.com)  
(800) 559-3630

On Wed, May 13, 2009 at 2:32 PM, Hana Ngo <[hana.ngo@luraco.com](mailto:hana.ngo@luraco.com)> wrote:

Hi anh Nick,

Hope you doing well;

I had tries to contact you sever time last and this week, but you must be very busy. I just want to touch base with you from last email about Magna Jet and Discharge pump. Do you know when we can start shipping out the 1st order for 500 magna jets and 300 discharge pumps to you? Or do you have may have any concern about our products and pricing. If so please do not hesitate to contact me back. Hope that we can hear from you soon to work out this deal with you.

PS: you can also reach me at my mobile # at 817 528 1318

Thanks and Best Regards,

*Hana Ngo*  
Office/Sales Assistant

**LURACO Technologies, Inc.**  
1132 107<sup>th</sup> Street  
Arlington, TX 76011, USA  
Tel: 817-633-1080, Ext 221  
Fax: 817-633-1085  
Toll Free: 1-800-483-9930  
Email: [hana.ngo@luraco.com](mailto:hana.ngo@luraco.com)  
Web: [www.luraco.com](http://www.luraco.com)

July 27, 2010

*Via Certified Mail*  
*Return Receipt Requested*

Chris Long, President  
Lexor Inc.  
14800 Goldenwest Street  
Westminster, CA 92683

Re: Luraco Technologies, Inc.'s Magna-JET pump

Dear Mr. Long:

Our firm represents Luraco Technologies, Inc. ("Luraco") in connection with the protection and enforcement of its intellectual property. Luraco has asked us to correspond with you regarding your PureFlo MG or use of PureFlo MG that was recently shown at Cosmoprof North America.

Luraco is a high-tech company dedicated to the research, development, and manufacture of innovative products, including spa jet pumps. In particular, Luraco has invented and manufactured the Magna-JET using magnetic coupling to produce the jet streams with the jet head attached to JET's housing. Luraco has invested substantial resources in research and development of the Magna-JET pump. The Magna-JET is patent pending, with several pending U.S. and international utility and design patent applications protecting various aspects of its structure, function, and ornamental design. Luraco, together with EcoTech Marine and T4 Spa Concepts & Design, LLC, have combined efforts to protect the magnetic jet pump concept used for aquarium and spa applications.

This letter is to inform you that Luraco and its partners take seriously the protection of its proprietary and intellectual property rights, and will take all legally available steps to protect those rights. We also hereby provide you actual notice of our pending utility and design patent applications, and will provide you copies of published patent applications once they become available.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Wei Wei Jeang

**From:** Jeang, Wei Wei  
**Sent:** Wednesday, September 29, 2010 2:44 PM  
**To:** 'kevin.le@luraco.com'  
**Cc:** Ingram, Linda; Epps-Hilliard, Lydia  
**Subject:** Lxor

We heard from Lxor's attorney. They sent us a number of patents for our consideration. I assume they did a patent search and found these references they thought are prior art. We will send you a copy of the patents. We will also supply a copy to the USPTO.

**haynesboone**

**Wei Wei Jeang**

Partner

[weiwei.jeang@haynesboone.com](mailto:weiwei.jeang@haynesboone.com)

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[vCard](#) | [Bio](#) | [Website](#)

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## Spa Jets & Drain Pumps

### Luraco Magna-Jet® II, Model: L0704C

Luraco Technologies is proud to be the inventor of THE BEST PEDICURE JET IN THE INDUSTRY®

- Patented magnetic coupling technologies (US10,215,178; US10,215,177; US10,288,071; US10,278,894; US10,302,088; US9,926,933; US9,855,188; US 10,451,071; D622,736; D698,368, and other patents pending)
- The first and most reliable Magnetic Pedicure JET in the industry since 2008
- Silent operation
- Dual powerful jet streams 35 degrees with respect to the pump axis
- Extremely easy to install, clean, and service
- Long-life brushless motor
- Green technology (low energy consumption)
- Made in the U.S.A from U.S & Global Components
- *High reliability – Use with confidence and worry-free!*



Luraco Magna-Jet® featured on NBC News





3/22/22, 10:47 PM

webcache.googleusercontent.com/search?q=cache:9RrPfbkbsYJ:https://lexor.com/products/ecojet-universal-jet-set-3-5&hl=en...

This is Google's cache of <https://lexor.com/products/ecojet-universal-jet-set-3-5>. It is a snapshot of the page as it appeared on Feb 5, 2022 17:30:48 GMT. The [current page](#) could have changed in the meantime. [Learn more.](#)

[Full version](#) [Text-only version](#) [View source](#)

Tip: To quickly find your search term on this page, press **Ctrl+F** or **⌘-F** (Mac) and use the find bar.

## EXCERPT:

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